When Nobody’s Checking Your Homework Anymore

A private sector VE consultant’s perspective.

Society of American Military Engineers (SAME) Rhein-Main Post — Europe · Virtual Session

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PART 1

Checked Homework

The Homework

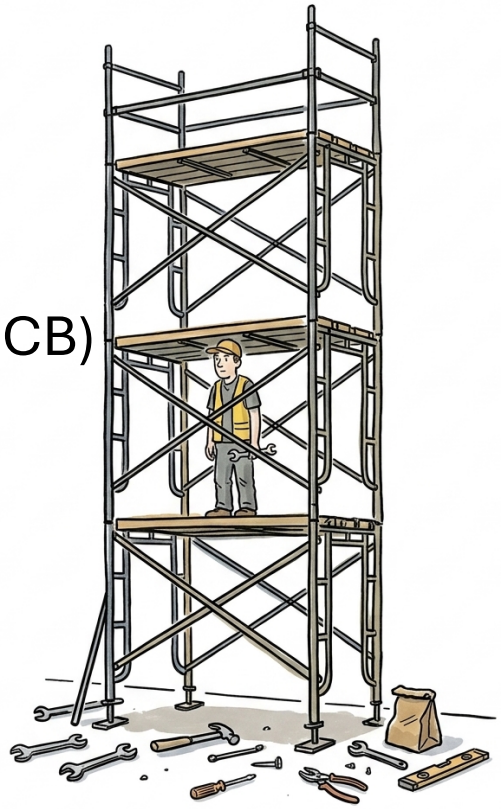


The Homework



What Just Happened?

- **July 14th - OPORD 2026-65**: signed and executing
- **Deadline**: 30 September, 2026
  - Elements of the OPORD are to be finalized
  - Communicated through an Engineering and Construction Bulletin (ECB)
  - Define ultimate changes to the regulation: ER 11-1-321
- **Direction**: alternative delivery — ECI, Progressive Design-Build
- Value work absorbed into technical review (ITR/ATR)
- **Replacement model**: still to come (September 30th)



The system is changing (as we speak). The obligation isn't.

What Goes… What Stays

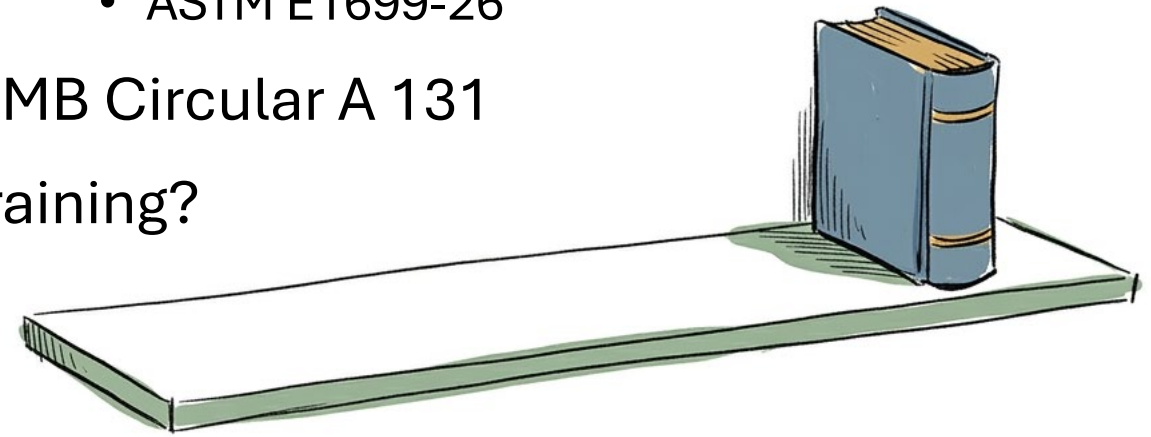
GOING

- Mandatory gates
- $2-5M screening threshold
- Independent sign-offs
  - BCOES & VMP
- Warranted Value Officers
- Qualification pipeline
- Central reporting



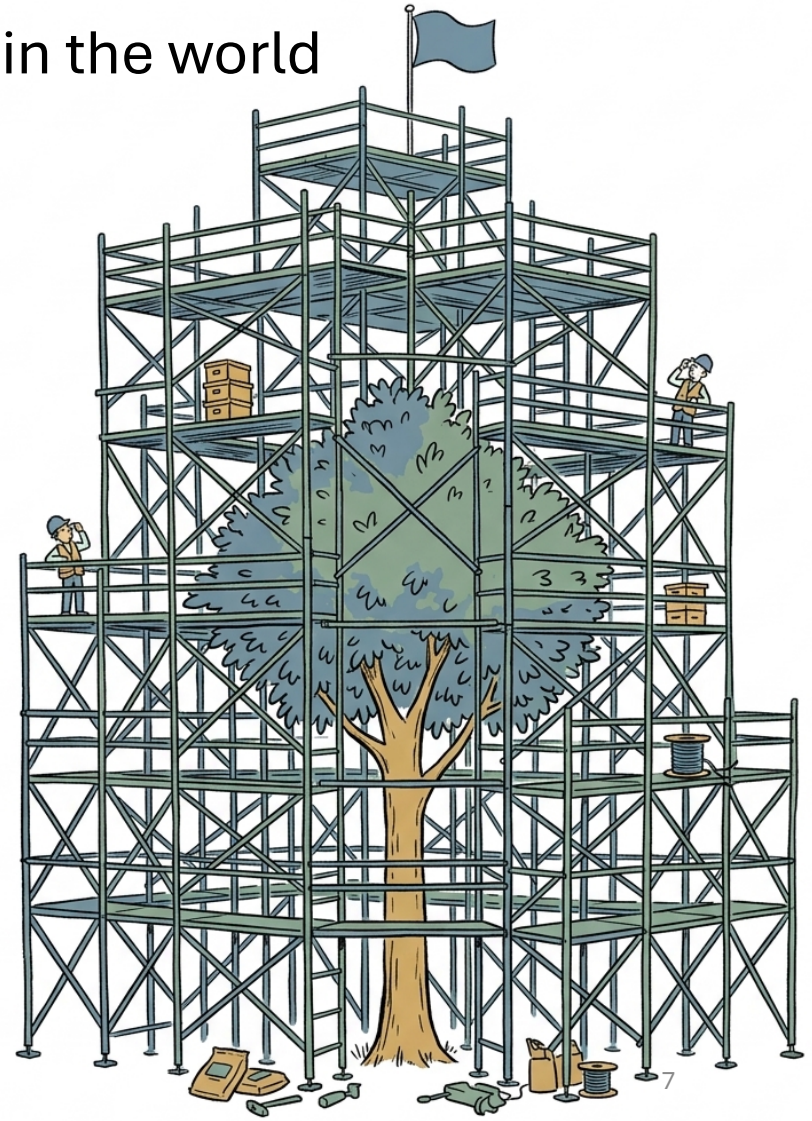
STAYING

- The law (*41 U.S.C. § 1711*)
- Army Reg AR 420-1
  - ASTM E1699-26
- OMB Circular A 131
- Training?

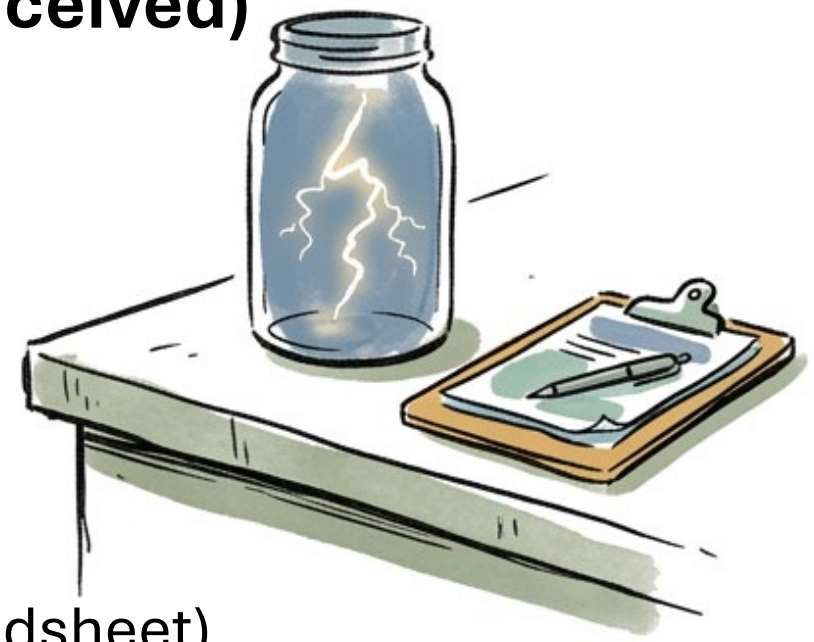


The Program that Raised Us

- Arguably the largest, most sophisticated VE program in the world
- Built by excellent people
- It didn’t get worse. It got bigger.
- The Value Methodology is codified.
- The apparatus grew on top of it.



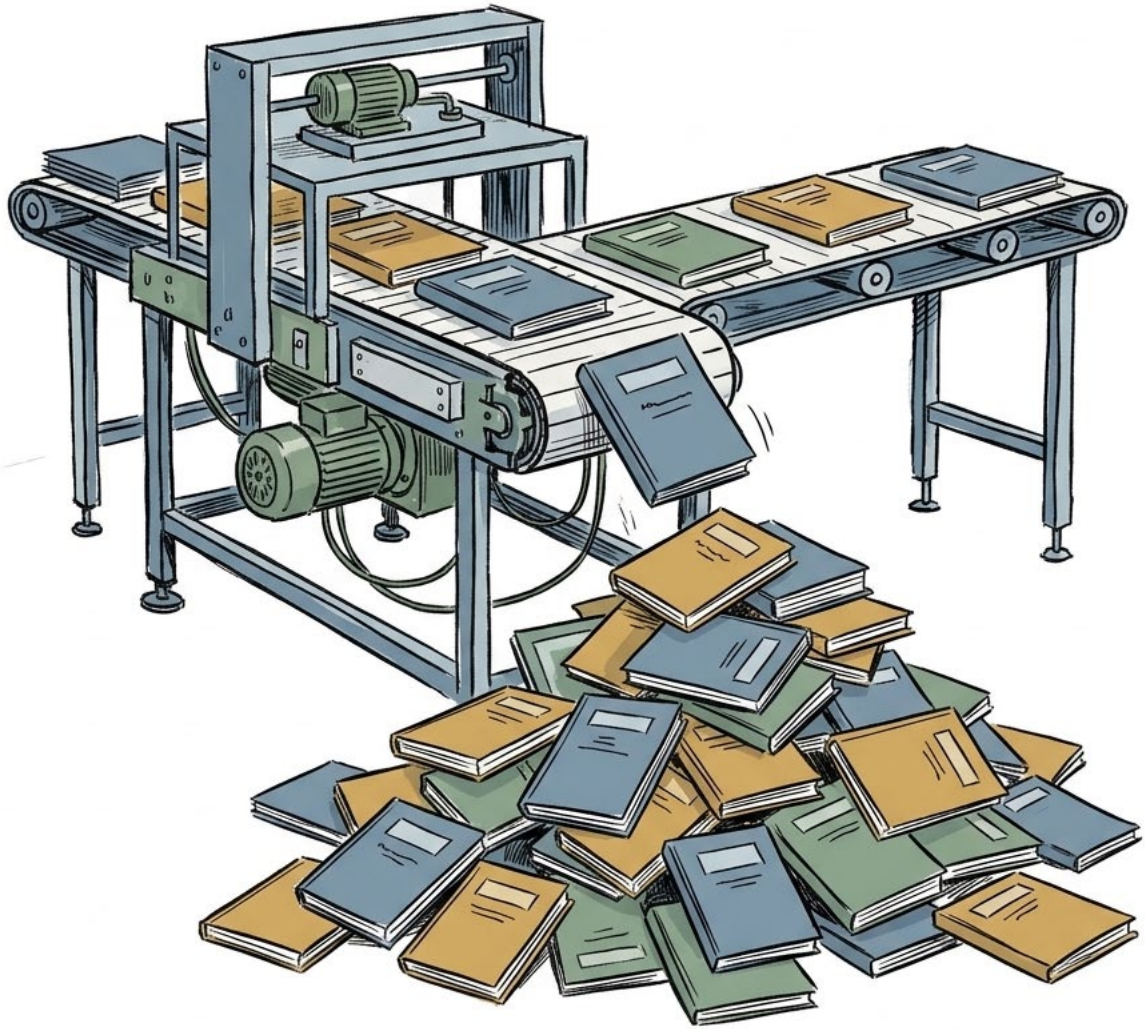
The Old Question (The Way USACE VE was perceived)



- *“Do a study. Find savings. Fill in the boxes.”*
- Triggered by a dollar amount, not a decision
- Timed by the process, not the design
    - Anything over $5M required Regional signature,
    - Anything over $10M required HQ signature
- Measured by the report and a success standard (spreadsheet)
    - Cost savings, number of ideas, done at the appropriate time of design

Trying to turn art into science… make lightning in a bottle an algorithm.

Good for VE Business, Bad for VE



Follow an agenda, standard templates, write a report, rinse, repeat…

The False Opposition

- Design on one side of the table
- VE on the other
- The project in the middle
- In what world do we say we don’t want to add value to our projects?
- In what world is gaining consensus and building a more confident path forward something that is to be challenged and fought?



PART 2

Unchecked Homework

The Gates Are Down (a private sector perspective)

- No threshold. No gate. No spreadsheet. No report.
- Nobody to chase for a signature.
- Nothing standing between the design and the door.



A VE study is no longer required – we're taking it off the list

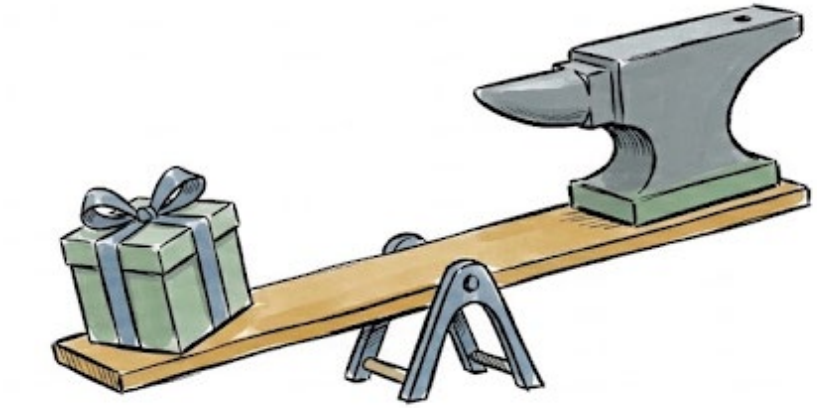
Every Gimme Has a Gotcha

The Gimme

- No approval to chase
- No boxes to check
- No pauses for a study
- No study you're forced to do
- No one’s watching now

The Gotcha

- No second set of eyes
- Nothing to show when someone asks
- No more pause, period
- No reminder you need one
- Everyone’s watching later (with hindsight)



The oversight is gone. The accountability isn't.

“Sharpen Your Pencils”

- The email: *“Team - We’re over budget. Find some VE by Friday.”*
- Each discipline goes back to their own desk
- Each one looks at their own drawings
- *Eliminate. Downgrade. Cheapen.*
- Send the list. Check the box.
- The law says: *analyze functions*. The email says: *cut*.
- That’s not Value. That’s cost cutting with a borrowed name.





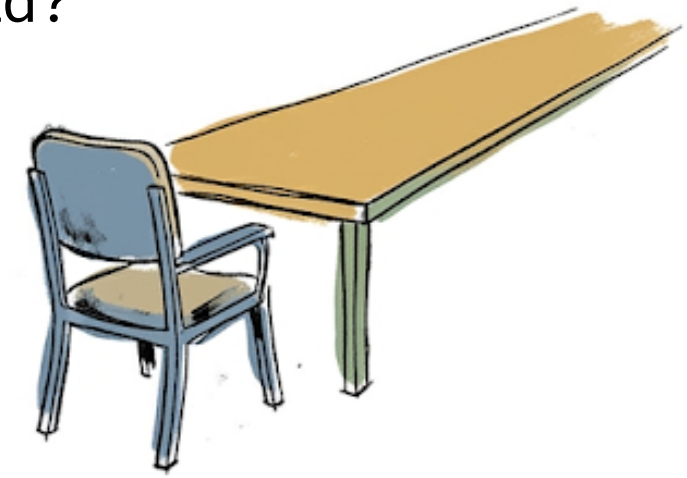
When the Magnifying Glass Comes Out



- **First, something breaks.**
  - Bids come in 20% over — and the award date is gone
  - The project can't be awarded before the funds expire
  - A cost growth request goes to headquarters
  - The mission date slips and the unit has nowhere to move in
  - The project opens and doesn't do what the end users needed
  - A protest, a claim, or a contractor walking away from the table
  - Change orders pile up past the contingency
  - The scope gets cut to fit — and the cut lands on the part that mattered
- **Then the room fills up.**
  - Leadership · The press · Local Government · Regulatory Bodies · Congress

Then Come the Questions

- Who made that decision, and what date?
- Who was in the room when it was made?
- What all did you consider — and what did you write down?
- At what point did you know the budget wasn't going to hold?
- Who did you tell, and what did they say?
- Did anyone raise a concern? What happened to it?
- Who reviewed this before it went to contract?
- Did you do a value study? Show me the results.
- If you had to defend this decision today, what would you show me?



The Difference is the Room

One of these starts at the end.

DIY VE

- Starts with the number
- Everyone alone at their desk
- Reviews its own design
- Assumptions remain unchanged
- Ten disciplines, ten priorities
- Ideas that survived the deadline
- A list
- First cost
- No record of why



The Room

- Starts with purpose
- Everyone at one table, same time
- Independent team (no preconceptions)
- Assumptions get said out loud
- One thing that drives the outcome
- Options nobody had considered
- A decision with a reason
- The next thirty years
- A process you can show

PART 3

Opportunity to do it right

Same Side of the Table

- The old model sat us across from each other
- We arrived late, from outside, looking for money in your design
- You defended. We challenged. The owner watched.
- Come in early and it stops being a critique
- Independent enough to ask. Early enough to help.



The Room: A Basis for Value

- Single Minded Concentration:
    - Multiple stakeholders. One table. Same time.
- Structured Approach to Problem Solving
    - Clarity. Consensus. Everyone pulling the same direction.
- The communication and context that isn't on the drawings
    - Open-mindedness to possibility
    - Ability to question things outside the scope



Somebody Has to Be Able to Say It

- Every other part of a project team is paid to deliver the scope
- The value team is chartered to question it
- Is this requirement still real?
- Who asked for this, and do they still need it?
- Is there another way to give them what they actually want?
- What are we doing because it's required — and what because it's habit?



Solve the right problem before solving the problem right.

The Room Is the Product

- Facilitator's job: Human Dynamics
  - Noticing who hasn't spoken, and why
  - Drawing out what someone knows but won't say
  - Holding a disagreement open long enough to be useful
  - Moving twelve people to one decision they'll defend
  - Challenging thinking and challenge what has been said/"decided"
- The only time everyone is in one place at once
  - Nothing else on the project buys that
- Not the agenda. Not the tools. Not the vernacular. Not the report.
- It all rests on the person guiding the team through the process



Anyone can book the room. The question is who can hold it.

Now It’s Your Call

- Nobody is deciding this for you anymore:
    - **Does this project need it?** Complex, contested, stuck, high-risk, high-cost, moving target
    - **When will it matter?** Early enough that the answer can still change
    - **What's the question?** Not "find savings" — what decision are we trying to make?
    - **Who needs to be in the room?** Owner, users, operators, builder — not just design
    - **Who's running it?** The single biggest variable in the outcome



PART 4

Value By Choice

Fewer Studies, Better Studies

01

Fewer projects to screen

02

Time to actually talk about this project

03

A decision by the people who know it

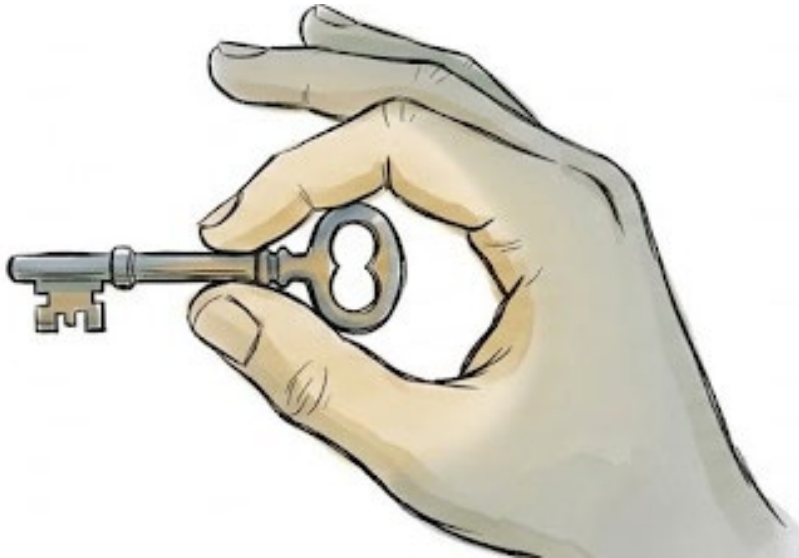
04

Better studies. Better outcomes.

The Moments That Matter

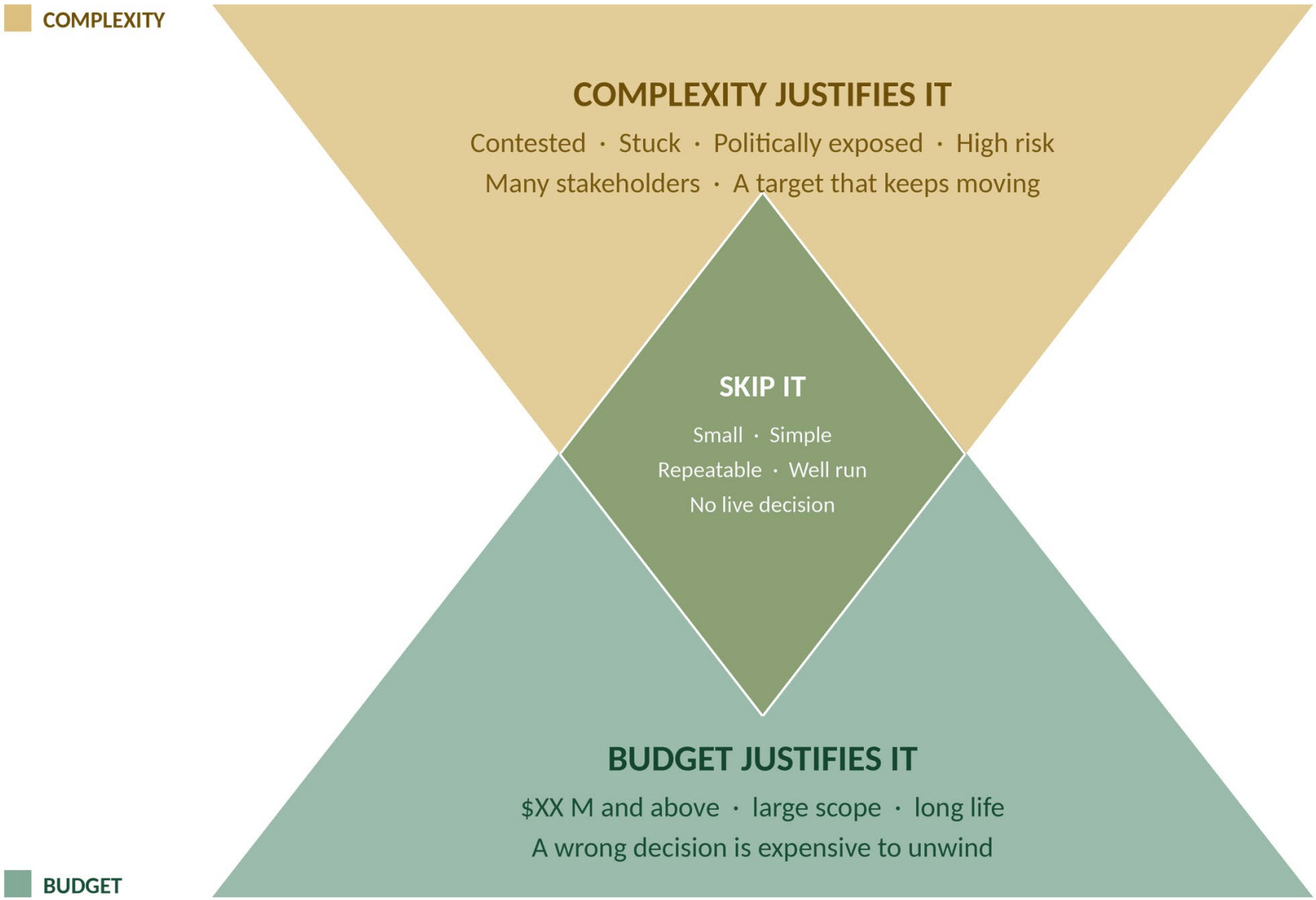
- Kickoff: Cost and Partnering before design
- 5-15%: Value Based Design Charrette
    - challenge the scope – sensemaking – gathering and organizing ideas
- 15–35%: *Value Planning*
- Before Construction Documents CDs: Value Confirmation
- Turnaround: Value Engineering (new information, market changes, black swans)
- After bid: *Value Negotiation*





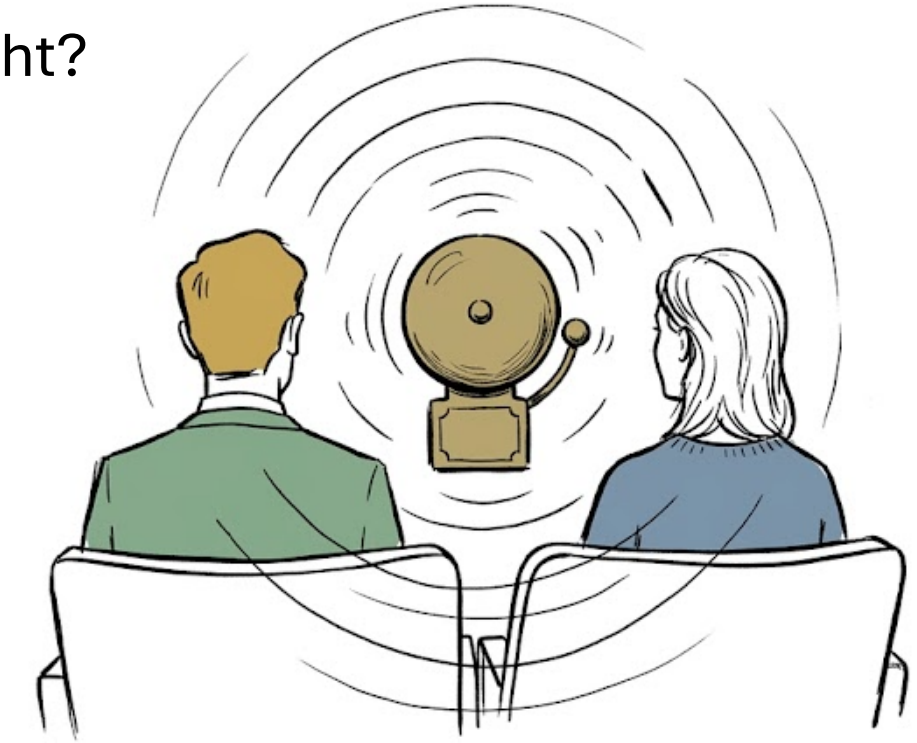
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Choosing When



Two Wake Up Calls

- **To the Value industry:** The mandate guaranteed the room. Now we have to earn it.
- **To the design & PM industry:** You own this now. And the people part is a skill.
- The question is how do we do this right?



What a Grown-Up Value Practice Looks Like



Checked

- Triggered by threshold
- Timed by the gate
- Across the table from design
- Vast reporting
- Proof you complied
- Agenda: Going through the motions

Chosen

- Triggered by decision
- Timed by the moment
- Alongside design
- A pathway
- Proof you thought it through
- The Room: The power is the time together



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When Nobody's Checking Your Homework Anymore

The system is changing. The responsibility isn't.

No Homework Today!

My daughter told me she had no homework. I believed her. Why wouldn't I? We had gotten to a point where we thought we had the routine down and there were no issues in our last communication with her teacher. So, for about a week, nobody looked in the bag, and from the outside nothing seemed wrong. My daughter was happy because rather than having to spend an hour on homework, she could play when she got home. Add to that, in her class, there was an emphasis for the children to take ownership of their own homework and not make it the task of the parents to birddog her responsibilities.

Then the teacher called. Nobody had lied. I had simply stopped checking. The homework was still there, not done, and it was still hers.

That is a rough anaolgy where federal Value Engineering sits today within USACE. The system that checked the homework is changing. The obligation is not.

What Just Happened?

USACE has essentially dismantled its Value Engineering program in the form most of us have known it for at least the past decade. The mandatory gates, screening thresholds, independent sign-offs, District Value Officers, qualification pipeline, and central reporting structure are going away. An Engineering and Construction Bulletin is expected to define what comes next, followed eventually by a rewrite of ER 11-1-321. In practical terms, the old model is disappearing before the new one is fully defined.

This is also happening inside a broader shift in federal project delivery. Early contractor involvement, progressive design-build, and other alternative delivery methods are moving more decision-making upstream and integrating value-related work into existing technical reviews. There is a reasonable argument that this is where it should have been all along. The question remains whether the decision to integrate Value into the process will occur or whether the short cut methods of cost cutting will be adopted in favor of expediency and ease.

What has not disappeared is the obligation to consider value. Federal law still requires executive agencies to maintain Value Engineering processes, and the methodology itself remains a recognized standard. The requirement did not go away. The machinery that forced people to comply with it did.

There is a strong case for why that machinery needed to change.

Value Engineering had increasingly become a tollbooth. A project crossed a dollar threshold and received a study whether or not there was a meaningful decision to make. The timing was often dictated by the process rather than by the moment when the design could still absorb meaningful change. In some cases, it was actually easier to conduct the study than to explain why one was not necessary.

The program also became focused on things that were easy to measure: savings, idea counts, completion dates, and compliance. We took the magic of a process that works best when the right problem, people, timing, and circumstances come together and tried to standardize it into something predictable. We took something closer to catching lightning in a bottle and tried to turn it into an algorithm.

The VE industry benefited from that arrangement. Mandatory studies created guaranteed work for consultants and VE practitioners, and guaranteed work can create complacency. When the study is happening either way, there is less pressure to make every study genuinely useful. Standardize the agenda, standardize the report, complete the process, and move on. That era is ending too, and I argue that this will be a healthy shift.

False Opposition and the New Trap

The old structure also created an unintended dynamic between design teams and value teams. Designers spent months developing a solution, working through requirements, constraints, users, budgets, and technical challenges. Then an independent team arrived, often late in the process, with the explicit task of finding value, which frequently became synonymous with finding savings.

The outcome was predictable. Designers defended the work. Value teams challenged it. Owners watched the exchange. This was rarely about personalities or bad behavior. The process itself created opposing positions. The seating chart almost guaranteed it.

Removing that structure creates freedom for that pattern to change, but freedom has consequences.

For a project manager, the relief is real. There is no gate, no threshold, no additional spreadsheet, and nobody chasing a signature. If VE is no longer a mandatory line item, removing it from the schedule is a perfectly rational decision for someone trying to deliver a project efficiently. In our world of VE, the immediate result has been phone calls canceling workshops because “it’s no longer required”.

The problem is that every gimme has a gotcha. If nobody has to sign off, nobody stops to question the decision. If there is no formal process, there may be no record of why a

decision was made. If nothing slows the project down, nothing may force the team to stop and think.

That usually becomes important later, because projects are almost never reviewed forward. They are reviewed backward from the outcomes.

The bids come in 20 percent over budget. Funding expires before award. A mission date slips. A building opens and does not function the way the users expected. At that point, the questions start. Who made the decision? When was it made? What alternatives were considered? Was the assumption challenged? Was there a value study? What did it find? What was done with the recommendations?

Eventually the question becomes very simple: If you had to defend this decision today, what would you show me?

A decision that looked entirely reasonable in week two can look negligent eighteen months later. You cannot solve that problem with a better memory or a list of cost cutting ideas integrated into the design. You need a record of the thinking that led to the decision.

Value Engineering as a Verb

Without a formal Value Engineering requirement, many organizations will naturally move toward internal VE. Sometimes that will work perfectly well. But internal VE often starts with an email saying something like, “We are over budget. Find some VE by Friday.”

Each discipline reviews its own work and looks for ways to remove, reduce, simplify, or substitute. The ideas come back, the savings are calculated, and the project moves forward. That can be useful, but it is primarily cost reduction.

Value Engineering is supposed to be broader than that. The methodology looks at functions and asks how performance, reliability, quality, safety, and life-cycle cost can be improved, cost is a byproduct… not the main focus. One approach starts with the number. The other starts with the purpose.

Early in my career, someone in a study warned me, “At this point in the design, we don’t need a visit from the Good Idea Fairy.” At the time, I thought it was a rude comment. But the longer I have worked in this field, the more I appreciate it. Too much VE still looks like a team arriving late in the process and dropping seventy “you could also…” ideas in the project team’s lap, many of them already considered, rejected, or simply too late to be useful. That is one reason VE is so often misunderstood as an idea-generation exercise. Ideas matter, but they are only one part of the process. When VE is done well, the Good Idea Fairy is out of a job. The real value comes from a team who can understand the

project, surface the right questions, and make better decisions while those decisions can still matter.

That distinction matters. If the conversation begins with cost, most of the ideas that follow will naturally be subtractions. If it begins with *defining what matters* in a project, the range of possible solutions becomes much wider.

What may be lost most easily in the new system is not the paperwork. It is the room.

The Room

There is enormous value in getting the right people together at the same time, with their normal work temporarily switched off, and giving them permission to challenge assumptions. The designer, engineer, estimator, project manager, operator, user, contractor, and subject-matter experts each see a different part of the project. Many of the most important constraints, assumptions, and concerns never appear on a drawing.

They often emerge only when someone asks a simple question: *Why are we doing it this way?*

That question is more important than it sounds. Most people on a project are not specifically responsible for questioning the scope itself. The designer develops the scope. The project manager manages it. The reviewer checks it. The contractor prices it. An independent value team is one of the few groups explicitly given permission to ask whether the scope, assumptions, and proposed solution still make sense.

That does not mean every project needs a formal Value Engineering study. Small, simple, repeatable, well-managed projects with no meaningful decisions left to make should probably skip it. But the reasoning for that decision should still be formally documented as well.

When a project is large, complex, politically exposed, uncertain, contested, or already struggling, the equation changes. Sometimes complexity alone is enough to justify the effort. Sometimes cost alone is enough. Sometimes the problem has very little to do with cost and everything to do with getting the right people together to make a better decision.

Timing matters more than almost anything else.

If Value Engineering is going to become more flexible, it should also become more intentional. Cost modeling should begin before the design is heavily developed. Design charrettes should incorporate value thinking instead of treating it as a separate event later. Formal value work is most useful when the design is developed enough to challenge but still flexible enough to change.

Somewhere around the 15 to 35 percent design stage is often ideal. There is enough information to have a real discussion, but decisions are still relatively inexpensive to change. By the time construction documents are being completed, the team should largely be documenting the answer rather than still searching for it. After bid, the process is usually no longer Value Engineering in any meaningful sense. It is negotiation, and most of the inexpensive opportunities have already passed.

There is also another question that deserves more attention than it usually gets: Who is actually going to run the room?

Not which firm. Not which certification. Not which methodology. Who will actually be standing in front of the team on Monday morning?

Anybody can follow an agenda. Anybody can collect ideas and put them into a spreadsheet. The harder skill is recognizing when someone has gone quiet, understanding the objection underneath the polite objection, separating a technical disagreement from an organizational one, and keeping a group of people with different incentives moving toward a decision they can all defend afterward.

That is facilitation, and it may be one of the most undervalued parts of Value Engineering.

The changes happening now create a reckoning on both sides.

For the Value Engineering industry, the mandate no longer guarantees a seat at the table. We will have to earn it by being useful. That means less dependence on process, vocabulary, diagrams, idea counts, and standardized reports, and more focus on helping teams make better decisions.

For the design and delivery community, the responsibility moves in the other direction. If the formal requirement is reduced, then the judgment about when and how to apply value thinking increasingly belongs to the project team. That includes the human side of the work: competing priorities, incomplete information, buried assumptions, organizational pressure, and the simple difficulty of getting smart people to agree.

Engineers and project managers are trained extremely well to solve technical problems. They are not always trained to manage the human dynamics surrounding those problems. That is not a criticism. It is simply a different skill set, and it is one of the reasons good facilitation matters. Add to this that when an engineer or a project manager is tasked with facilitating a group and running the team dynamics of a room, it removes them from their role as engineer or project manager.

This does not have to be the end of Value Engineering at the Corps. It may actually be an opportunity to make it better.

Instead of conducting studies because a threshold requires them, we can begin asking a more useful question: Does this project need a deliberate value conversation right now?

If the answer is yes, then the process should be designed around the decision that needs to be made, the people who need to be in the room, and the moment when the decision is still inexpensive enough to change.

That is a much higher standard than compliance.

Nobody may be checking the homework anymore. That does not mean the homework disappeared. It means the responsibility for doing it well has moved back to the people who own the project.

The opportunity in front of us is bigger than deciding whether Value Engineering is still required. It is deciding what we want value to mean when nobody is forcing the conversation. We can let it become another box that quietly disappears, or we can use this moment to build something more useful: better questions, better timing, better rooms, and better decisions. That will require engineers, project managers, designers, owners, facilitators, and contractors to think differently about where value actually comes from and who is responsible for creating it. I think that conversation is just beginning, and it is one worth having.

Jeff Rude – Speaker Bio

Jeff Rude, CVS, is a Value Engineering facilitator and advisor with more than 25 years of experience helping organizations work through complex, high-stakes decisions. He has led more than 350 value, risk, and strategic decision-making workshops on programs ranging from small, focused investments to multibillion-dollar capital projects, with particular experience in military, federal, and politically sensitive environments where competing requirements, stakeholder interests, cost, mission, and public scrutiny all meet in the same room.

Value Methodology has been part of Jeff's life since childhood; his father was a Value Management consultant, and he grew up around the language and thinking of the discipline long before it became his profession. That unusual perspective has shaped his belief that VE is ultimately less about generating ideas than creating the conditions for better decisions.

Today, Jeff's work focuses on the human dynamics of value: asking better questions, challenging assumptions without alienating the people who made them, and helping technically sophisticated teams navigate difficult conversations toward decisions they can understand, quantify, and defend. He is a Certified Value Specialist and serves as a Value Engineering and facilitation advisor with Crawford Consulting Expert Services Group.

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